

Law Office of Nathan A. Schultz, P.C.

December 20, 2017

VIA OVERNIGHT MAIL

Mannon L. Walters, Inc.
Attn: Legal Department
500 N. Congress, Suite D
Evansville, IN 47715

Notice of Default: 12% Secured Convertible Debenture – Series 2-8

Dear Sir or Madam:

I am writing on behalf of John Bohinski ("Holder"), who is the holder of a 12% Secured Convertible Debenture – Series 2-8 (the "Debenture") issued by Mannon L. Walters, Inc. ("Borrower").

Holder hereby provides written notice under section 5.1 of the Debenture that one or more Events of Default has occurred and remains uncured by virtue of: (1) Borrower's failure to pay interest installments from and after at least November 21, 2014; and (2) Borrower's failure to pay the Principal Amount due under the Debenture by the stated maturity of July 1, 2015.

Holder hereby demands Borrower immediately make payment to Holder of all outstanding interest plus the full Principal Amount due under the Debenture.

Holder further demands that pending such payment in full, Borrower hold the Collateral and all proceeds thereof in trust for Holder, and that Borrower cease and desist from any transfer, substitution, or encumbrance of the Collateral or any part or proceeds thereof.

In the event that Borrower fails to fully cure the outstanding Events of Default within 30 days of this Notice, Holder further demands that Borrower promptly forward to my attention (on a rolling basis as each of the following becomes available):

- i) Copies of all security documentation referenced in Section 4.1 of the Debenture (or written confirmation that no such documentation exists);
- ii) A complete schedule of the Collateral, including a list of any substitutions purportedly made by Borrower;
- iii) Copies of all oil and gas leases that currently comprise or previously comprised the Collateral;
- iv) Current contact information for the counter-party(ies) to all oil and gas leases that currently comprise or previously comprised the Collateral;

December 20, 2017

- v) Copies of any correspondence between Borrower and the counter-party(ies) to all oil and gas leases that currently comprise or previously comprised the Collateral;
- vi) Copies of any correspondence or other documents referring or relating to any claims or interests in the Collateral asserted by any party other than Borrower and Holder (i.e. including, without limitation, any other holders of debentures purportedly secured by the Collateral);
- vii) An accounting of any and all proceeds derived from all oil and gas leases that currently comprise or previously comprised the Collateral;
- viii) The Borrower's most recent financial statements; and
- ix) Contact information for Borrower's counsel or other representative who will be responsible for communications on this matter.

Please be advised that nothing herein is an admission or waiver of any kind. Holder expressly reserves each and every right and remedy under the Debenture, at law, in equity and otherwise.

Your prompt response is greatly appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read 'Nathan A. Schultz', with a stylized, cursive script.

Nathan A. Schultz

cc: Mannon L. Walters, CEO (via email)
Will Tevault, Investor Relations (via email)
Michael Finazzo, Accounting Director (via email)